

**STATE SCHOOL AID, OTHER GRANTS, AND DEPARTMENT OF PUBLIC INSTRUCTION ADMINISTRATION
COMPARISON OF 2005-07 EXECUTIVE BUDGET TO 2003-05 APPROPRIATION AND ESTIMATED EXPENDITURES**

				2005-07 Executive Budget Increase (Decrease) Compared to 2003-05 Estimated Expenditures	2005-07 Executive Budget Increase (Decrease) Compared to 2003-05 Appropriation
	2003-05 Appropriation \1	2003-05 Estimated Expenditures \3	2005-07 Executive Budget		
State school aid					
Statutory per student payments	\$555,800,961	\$550,641,890	\$598,727,111	\$48,085,221	\$42,926,150
Less mill deduct and excess fund balance deduct	101,870,971	99,857,028	122,023,352	22,166,324	20,152,381
General fund per student payments	\$453,929,990	\$450,784,862	\$476,703,759	\$25,918,897	\$22,773,769
Limited English proficient student payments	650,000	650,000	650,000		
Transportation payments	34,800,000	34,745,200	34,800,000	54,800	
Total state school aid regular distributions - General fund	\$489,379,990	\$486,180,062	\$512,153,759	\$25,973,697	\$22,773,769
State school aid contingent distributions		3,199,928 \4		(3,199,928)	
Total state school aid - General fund	\$489,379,990	\$489,379,990	\$512,153,759	\$22,773,769	\$22,773,769
Other grants - General fund					
Teacher compensation payments	\$51,854,000	\$51,468,682	\$50,912,120	(\$556,562)	(\$941,880)
Teacher compensation contingent distributions		385,318 \5		(385,318)	
Special education	49,898,695	49,898,695	52,500,000	2,601,305	2,601,305
Revenue supplemental payments	5,000,000	5,000,000	7,500,000	2,500,000	2,500,000
Reorganization bonuses	500,000	500,000	500,000		
Joint powers agreement incentives			2,000,000 \6	2,000,000	2,000,000
Teacher center network	230,000	230,000	230,000		
School food services	1,080,000	1,080,000	1,080,000		
Adult education grants	920,000	920,000	920,000		
LEAD Consortium	215,000	215,000	236,500	21,500	21,500
Governor's school	225,000	225,000	270,000	45,000	45,000
National writing projects	48,000	48,000	88,000	40,000	40,000
Rural art outreach project	125,000	125,000	250,000	125,000	125,000
FINDET	33,117	33,117	33,117		
National board certification	40,000	40,000	40,000		
Total other grants - General fund	\$110,168,812	\$110,168,812	\$116,559,737	\$6,390,925	\$6,390,925
Total state school aid and other grants - General fund	\$599,548,802	\$599,548,802	\$628,713,496	\$29,164,694	\$29,164,694
Other grants - Other funds					
Federal grants	\$179,139,127	\$194,139,127	\$204,517,966	\$10,378,839	\$25,378,839
State tuition fund	69,495,371	69,495,371	71,600,000	2,104,629	2,104,629
Displaced homemaker program	240,000	240,000	240,000		
Total other grants - Other funds	\$248,874,498	\$263,874,498	\$276,357,966	\$12,483,468	\$27,483,468
Total other grants - All funds	\$359,043,310	\$374,043,310	\$392,917,703	\$18,874,393	\$33,874,393
Total state school aid and other grants - All funds	\$848,423,300	\$863,423,300	\$905,071,462	\$41,648,162	\$56,648,162

	2003-05 Appropriation \1	2003-05 Estimated Expenditures \3	2005-07 Executive Budget	2005-07 Executive Budget Increase (Decrease) Compared to 2003-05 Estimated Expenditures	2005-07 Executive Budget Increase (Decrease) Compared to 2003-05 Appropriation
Agency administration					
Administration (salaries, operating, equipment) - General fund	\$5,216,204	\$5,216,204	\$5,431,444	\$215,240	\$215,240
Administration (salaries, operating, equipment) - Other funds	17,184,305	17,184,305	19,518,706	2,334,401	2,334,401
Total agency administration - All funds	<u>\$22,400,509</u>	<u>\$22,400,509</u>	<u>\$24,950,150</u>	<u>\$2,549,641</u>	<u>\$2,549,641</u>
Total Department of Public Instruction - All funds	\$870,823,809	\$885,823,809	\$930,021,612	\$44,197,803	\$59,197,803
General fund	\$604,765,006	\$604,765,006	\$634,144,940	\$29,379,934	\$29,379,934
Other funds	266,058,803	281,058,803	295,876,672	14,817,869	29,817,869
Total	<u>\$870,823,809</u>	<u>\$885,823,809</u>	<u>\$930,021,612</u>	<u>\$44,197,803</u>	<u>\$59,197,803</u>
FTE	92.75 \2	92.75	92.75		

\1 2003-05 appropriation - The 2003-05 appropriation amounts include \$40,000 appropriated from the general fund to the Education Standards and Practices Board for the purpose of procuring federal matching grants to provide for the national board certification of teachers.

The 2003-05 appropriation amounts do not include \$105,000 of general fund carryover authority from the 2001-03 biennium authorized by the 2003 Legislative Assembly to be used in conjunction with special funds received by the department for the purpose of providing a grant to fund the North Dakota Central Council of School Television licensing of educational television programs for classroom use by North Dakota elementary and secondary schools.

\2 The number of FTE positions for the 2003-05 biennium has been adjusted to reflect the reduction and transfer of a .5 FTE position relating to information technology services, including electronic mail, file and print server administration, data base administration, storage, application server, and hosting services from the Department of Public Instruction to the Information Technology Department as of November 1, 2003, provided for in Section 10 of House Bill No. 1505.

\3 2003-05 estimated expenditures - The 2003-05 estimated expenditures include \$40,000 appropriated from the general fund to the Education Standards and Practices Board for the purpose of procuring federal matching grants to provide for the national board certification of teachers.

The 2003-05 estimated expenditures do not include \$105,000 of general fund carryover authority from the 2001-03 biennium authorized by the 2003 Legislative Assembly to be used in conjunction with special funds received by the department for the purpose of providing a grant to fund the North Dakota Central Council of School Television licensing of educational television programs for classroom use by North Dakota elementary and secondary schools.

\4 Contingent state school aid distributions - Senate Bill No. 2421 (2003) provided that if any funds appropriated for per student and transportation aid payments remain unspent after all statutory obligations are met, the Department of Public Instruction shall distribute the funds as follows:

The first \$250,000 for providing reimbursements to the chief administrators of joint powers agreements.

The next \$1 million for providing reorganization bonuses, pursuant to North Dakota Century Code Section 15.1-12-11.1, to school districts having reorganizations effective after July 1, 2003, and before July 1, 2005.

Any remaining amounts as additional per student payments on a prorated basis according to the average daily membership of school districts during the 2004-05 school year.

- \5 Contingent teacher compensation distributions - Senate Bill No. 2421 (2003) provided that if any funds appropriated for teacher compensation payments remain unspent after all statutory obligations are met, the Department of Public Instruction shall distribute "hold harmless" payments to school districts. The payments will be calculated as follows:
- The department must calculate the difference between the following:
- Option A - The total payments the district will receive during the 2003-05 biennium for per student payments at the rates of \$2,509 and \$2,623 and teacher compensation payments, as appropriated by the Legislative Assembly.
- Option B - The total payments the district would have received during the 2003-05 biennium for per student payments if the rates had included the total amount appropriated for teacher compensation payments.
- If the amount a district would have received under Option B above exceeds the amount a district is estimated to receive under Option A, the department must calculate the difference and pay that amount to the district on or before June 30, 2005. If insufficient funds are available to make all of the payments required by this section, the department shall prorate the available amount among the eligible districts.
- If any money remains after completing the payment requirements of subsections 1 and 2, the department shall use the remaining money to provide additional per student payments on a prorated basis according to the average daily membership of school districts during the 2004-05 school year.
- \6 Joint powers agreement incentives - The executive budget recommendation includes a \$2 million general fund appropriation for incentives to school districts entering into joint powers agreements to encourage school district cooperation and efficiency.